

## Severe Deprivation in America:

### An Introduction

- Crystal grew up in harsh conditions, going from foster home to foster home until she eventually she grew out of the system. As a minor, Crystal applied for Supplemental Security Income (SSI) became reliant on this fund as means to provide for herself.
- Like many others, Crystal experienced eviction and battled to secure housing due to previous incidences with payment or issues regarding her criminal record.
- When she became ineligible for SSI, she resorted to homelessness and prostitution to get by.

### A Challenge

- Poverty is defined officially as an income cutoff/threshold - Crystal and many others fall below the poverty line either defined as “*deep poverty*” or “*extreme poverty*”
- Though recent debates have tried to qualify poverty through material means such as taxes, transfers, and benefits, poverty is more than a material condition as seen by the disadvantages that contributed to Crystal’s situation.
- Poverty is multidimensional, being impacted by large institutions (deindustrialization, neoliberalism, racism, welfare reform) and individual disadvantages (Crystal’s parental support, sexual abuse, foster homes, failed education, mental disorders). Most proposed solutions interpret the issue one dimensionally
- The complexity of the issue and the different definitions held by many make it more difficult to devise a solution.

### Questions:

1. Of the factors mentioned, which do you think the public focuses on as the main source of poverty? Why?
2. How can different interpretations of poverty affect proposed solutions?

### Severe Deprivation: acute, compounded, and persistent hardships

- Acute: having a scarcity of critical resources and material hardship
  - In 2010, 20.5 million people in the U.S. have incomes less than half of the federal poverty threshold
  - 1 in 50 Americans rely on Food Stamps as their only source of income.
- Compounded: clustering of disadvantage across multiple dimensions
  - Psychological, social, material, work, family, prison
  - Poverty is not just an economic issue. It is “the linked ecology of social maladies and broken institutions”
    - It is pervasive which makes it hard to research
    - Most poverty research looks for one individual explanatory factor rather than “studying the whole”
- Persistent: enduring disadvantage that is impervious to change. Occurs during 3 interrelated time periods
  - Early life trauma: abuse, hunger, and violence experienced during childhood/ as a fetus
    - Many people below the poverty line are known to have traumas that led them on certain paths
  - Experience over long stretches: coping strategies and the effects of long term social suffering.
  - Generational: poverty passed down from parents to children.
    - Shows the resiliency of past wrongs on present day problems
  - Calling groups severely deprived is associated with cultural baggage
  - Many social problems involve not the poor, but those who experience economic hardship
    - Crime to homeless people, teen pregnancy, educational inequality, housing instability, legal entanglements, neighborhood disadvantage
  - Most people compare extreme poverty here to extreme poverty in other countries to minimize its importance
    - The number of children who experience chronic extreme poverty (live off of \$2 a day or less for at least seven months) has increased by 240% since 1996

### Questions

1. Which form of severe deprivation do you think of first when you think of poverty? Why?
2. Do you agree that poverty isn’t just an economic issue?

### A New Poverty Agenda

- The nature of poverty, especially at the very bottom, has changed in recent years
- Households just above the poverty line earn significantly more than they did 20 years ago, while households below the poverty line earn significantly less
- If minimum wage had risen with the rate of productivity, it should have reached \$18.30 by 2013, as opposed to \$7.25
- Roughly 30% of Americans work for “poverty wages”
- If minimum wage was increased, about one in five children would have a parent get a raise
- The “American Family” has changed, and likelihood of living in a single parent household has doubled since 1960
- Lots of higher-ups make money off of exploiting the impoverished, such as landlords

### Questions

1. What would the effect on society be if the minimum wage was raised to \$18.30?

## Public Policy and Moral Urgency

- Acute Hardship
  - Policy Skimming: simultaneously increasing aid for working families and withdrawing some forms of support for the very poor
    - \$54 billion spent on Earned Income Tax Credit and only \$17 billion on Temporary Assistance for Needy Families (TANF)
    - Spending on means-tested programs doubled between 1986 and 2007, but the working poor and families above or just below the poverty line were benefiting
      - People with incomes 200% under the poverty line were receiving 56% of welfare, now it's less than 1/3
      - The safety net hasn't been that effective: many people fall through the holes
- Compounded Hardship
  - Going after one disadvantage is inefficient
  - First, budget allocations encourage policymakers to focus on their issues rather than cross-system collaborations
    - Changes in resource allocation would relax the competition between offices and allow a policy design that is fundamental to building a holistic antipoverty policy
  - Second, poverty is difficult to communicate
    - It's simple to communicate things like a job program decreases youth violence, but when it comes to the real problems of poverty, a more advanced language is needed
  - Third, multidimensional interventions to deprivation pour resources into bounded neighborhoods
    - Obama's Promise Zone promoted job creation, economic growth, educational opportunity and safety in twenty neighborhoods, but why not more?
- Persistent Hardship
  - Persistent=Generational=Historical
  - A look at the past shows that addressing poverty is not only effective policy and economic opportunity, but also about justice and fairness.
  - Researchers in the past built cases for visionary change in landmark rulings and legislation. Now they are satisfied with advocating for nudges and incremental change.

The article ended with a story of when Crystal and Vanetta were in a McDonalds, a boy came in looking for food. They scraped together what money they had between them and bought him food, because he reminded them of when they were kids.

## Questions

1. In what ways do you think policy should be changed in order to prevent policy skimming so that more resources are allocated to the very poor?
2. What ways do you think we can get people to advocate for more than just nudges and incremental changes?

## Group Reflections

- Poverty is a prevalent problem in the United States and the lack of understanding of the factors that contribute to this cycle. By shifting focus of the causes and contributions to poverty from an individualized to an institutional approach could cause the change necessary to ameliorate impoverished conditions.